

Introduced by Senator Perata

February 21, 2003

An act to add Section 10355 to the Public Contract Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

SB 729, as introduced, Perata. State contracts: bids: metal castings.

Existing law establishes various procedures for the acquisition of goods and services by state agencies. Under existing law, a state contract is required to be awarded to the lowest responsible bidder.

This bill would require state agencies to give priority to the bid for the sale of metal castings that are substantially all made in California, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) California metal casters operate not only to increase the
4 prosperity and commerce for California's citizens but also to
5 provide safe workplaces with decent wages to workers and to act
6 as responsible stewards of the environment for neighbors and
7 consumers alike.

8 (b) California metal casters have a long history of setting the
9 standard for environmental, health, and safety compliance for
10 businesses throughout the country and the world, and their



1 compliance efforts have resulted in benefits to the citizens of
2 California.

3 (c) California metal casters have operated at a competitive
4 disadvantage to businesses outside of the state and outside of the
5 United States because California metal casters are required to
6 produce metal castings with higher compliance operating costs.

7 (d) California metal casters should not be penalized for
8 operating at a competitive disadvantage to out-of-state businesses.

9 (e) It is the intent of this act to provide a level playing field for
10 made in California metal castings in the state procurement of
11 commodities and services related to metal castings.

12 SEC. 2. Section 10355 is added to the Public Contract Code,
13 to read:

14 10355. (a) Notwithstanding any other law, in the acquisition
15 of metal castings, each state agency shall give priority to the bid
16 for the sale of metal castings that are substantially all made in
17 California.

18 (b) In preparing purchase estimates, each state agency shall
19 first consider if its needs can be met by commodities and services
20 related to metal castings that are substantially all made in
21 California. State agencies shall develop new products and adapt
22 existing products to meet the needs of producers of substantially
23 all made in California products and services.

24 (c) The Procurement Division of the Department of General
25 Services shall examine all submitted purchase estimates to
26 determine whether substantially all made in California metal
27 castings meet all reasonable requirements. If this appears to be the
28 case, the division shall notify the ordering agency that metal
29 castings should be purchased from suppliers of metal castings that
30 are substantially all made in California.

31 (d) Each state agency shall consider and give preference in the
32 competitive bidding process to metal castings that are substantially
33 all made in California.

34 (e) For purposes of this section, a metal casting is substantially
35 all made in California if either of the following applies:

36 (1) The product was last substantially transformed in
37 California and California manufacturing costs are at least 75
38 percent of total manufacturing costs.



1 (2) The product was last substantially transformed in
2 California and all significant parts or components of the product
3 were last substantially transformed in California.

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